

**Illinois Commerce Commission  
Pipeline Safety  
Field Trip Report**

|  |                             |
|--|-----------------------------|
| <b>Operator: NORTH SHORE GAS CO</b>  | <b>Operator ID#: 13660</b>  |
| <b>Exit Meeting Contact: Mark Kinzle</b>                                     | <b>Total Man Days: 8</b>    |
| <b>Pipeline Safety Representative(s): Steve Canestrini, Matt Smith</b>       |                             |
| <b>Company Representative to Receive Report: Tom Webb</b>                    | <b><u>Emailed Date:</u></b> |
| <b>Company Representative's Email Address: TJWebb@peoplesgasdelivery.com</b> | 02/27/2014                  |

**Inspection Summary**

| <b>Inspection Type</b>             | <b>Location</b> | <b>ICC Analyst</b>              | <b>Inspection Unit(s)</b>               | <b>Man Day(s)</b> | <b>Inspection Date(s)</b>                 | <b>Contact(s)</b>  |
|------------------------------------|-----------------|---------------------------------|---|-------------------|---|--|
| Standard Inspection - Record Audit | Waukegan        | Steve Canestrini,<br>Matt Smith | Mundelein,<br>Transmission,<br>Waukegan | 8                 | 2/4/2014, 2/5/2014,<br>2/6/2014, 2/7/2014 | Eddie Morrow,<br>Glannie Chan,<br>Kevin Kerber,<br>Mark Kinzle,<br>Steve Lipka |

**Statement of Activities**

On the above dates, Staff performed a Pipeline Safety Records Audit of North Shore Gas, (NSG), at the Waukegan and Mundelein office locations to determine compliance with applicable IL Adm. Codes and the Code of Federal Regulations adopted via IL Adm. Part 590. Staff reviewed a sample of records for the following areas; Leak Survey and Patrol, Valve Inspection, Pressure Testing, Cathodic Protection, Damage Prevention, Vault Inspection, Odorant Records, Operator Qualification and Training, Compliance Monitoring, Welding, and Joining records.

While conducting a review of leak tickets, Staff discovered three leak tickets with a repair description of leaks on various style caps underground. Each of the leaks indicated a different leak cause category. The leak causes are used to populate the Annual Report to be submitted by North Shore Gas Company no later than March 15, 2014. The leak causes were as follows: 17591 W. Westwind Drive (Condition #72740) leak cause Incorrect Operations; 1604 Superior Court (Condition #61014) leak cause Material/Welds; 1931 Hunt Club Road (Condition #RTM-927412117) leak cause Equipment. Staff is requiring North Shore Gas to reevaluate all leak cause codes for 2013 and determine the correct code prior to submitting the 2013 Annual Report. Furthermore, Staff is requesting that North Shore Gas conduct training with all appropriate personnel to better classify the codes using the appropriate leak cause code section.

**Leak Survey and Patrol:**

North Shore Gas self-reported a variety of leak surveys which exceeded, or appeared to exceed the compliance date. Following, are the conditions identified; Newly found main, Changed from Residential to Business, Reactivated service, Newly partitioned main, Conversion to electronic records, and Delay in the As-Built process. Staff is concerned about the delay in the As-Built process, as these same gaps and inefficiencies have been identified with their sister company.

**Leak Testing:**

Staff identified a number of locations where the test information and procedures used did not meet the company's procedure. Staff is requiring North Shore Gas to review all locations where testing of pipe occurred, and report back to Staff their findings, along with corrective action(s) taken.

**INSPECTION FINDINGS**

**Standard Inspection - Record Audit**

**Issues(s) Found:**

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[NO ISSUES FOUND]

**Notice Of Amendment(s) Found:**

[192.605(a)][192.613(a)] - Staff could not locate a procedure to review continuing surveillance records for class location changes, failures, leak history, corrosion, changes in cathodic protection and other unusual operating and maintenance conditions.

[192.605(b)(1)] - Staff was unable to locate a procedure for main cut-out and replacement on medium pressure pipelines.

[192.605(b)(3)] - There were 3 instances where the delay in the As-Built process caused missed leak survey instances. As an example, facility# 30000011855, was coded as a Business survey. The service was installed on 6/16/2011. The As-Built was posted to the FMDR system on 5/23/2013. The survey was completed on 10/18/2013. Two leak survey instances were missed as a result of the delay.

**Notice Of Violation(s) Found:**

[192.459] - On 7/22/2013, a Meade crew was abandoning a main on Cambridge Ct, in Highland Park, (W.R. 1204077). The crew did not document the condition or coating on the exposed portion of the main.

[192.517(b)][192.509] - At 3713 Atlantic Ave, Gurnee, Work Request 1231443. On 7/15/2013, a North Shore crew replaced a 2" valve on a 2 inch steel main. The crew installed (2) 1 1/8 service tees to use as a bypass. They also installed a 2" S.A.V. valve, 2" valve, and a 2" weld insulator. Pressure test documentation only indicated a soap test was performed.

[192.603(b)][192.743(b)] - Records were not provided to indicate an annual review was conducted of the calculations to determine sufficient capacity for the relief devices.

[192.605(a)] - From the documentation provided, twenty four (24) O&M procedures were not reviewed on an annual basis in 2013.

**PAST INSPECTION FINDINGS**

**Issue(s) Corrected:**

2013-S001-00071 - From a previous transmission field audit, Staff had identified locations of missing/broken pipeline markers, broken casing vent. North Shore Gas has replaced the pipeline markers, and made repairs to the casing vent. Staff will consider this issue closed.

**Notice Of Amendment(s) Corrected:**

NO NOAs CORRECTED.

**Notice of Violations(s) Corrected:**

NO NOPVs CORRECTED.